



American Gilsonite Company

Bonanza, Utah 84008 • Phone (801) 789-1921

FAX (801) 789-1956

Bonanza Mining Operations

RECEIVED

SEP 23 1992

DIVISION OF
OIL, GAS & MINING

September 15, 1992

Mr. D. Wayne Hedberg, Minerals Permitting Supervisor
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Dear Mr. Hedberg:

This letter is in response to your letter of September 11, 1992 regarding your review of our amendment submission of May 1, 1992.

R647-4-106 Operation Plan

DESCRIPTION OF THE CLAY LINED POND?
WATER QUALITY PERMIT?

106.9 I am currently working with the DWQ engineers on final details of the pond. However, the pond will encompass less than 0.2 acres, roughly 75 ft. by 100 ft. interior dimensions. The pond will have a two foot high dike including a one foot freeboard. The size will be adequate to evaporate more than 2000 gallons per week plus precipitation. All surface runoff will be diverted around the pond. The only precipitation entering the pond will be that falling directly on the pond and directly on the contained area within the process. The process area will be less than 5000 square feet. The required stormwater surge 25 year/24 hour event is 3.8 inches. The dikes will be lined with 6 inches of compacted soils to minimize seepage.

R647-4-107 Operations Practices

STORAGE, REMOVAL & RECEIPT OF SOLVENTS?
AIR QUALITY PERMIT?

107.4 We are monitored by MSHA who is the authority with jurisdiction over the facility. Since MSHA does not have direct standards relating to solvent extraction processes, they have incorporated the following codes from the National Fire Protection Association.

- NFPA 30 Flammable and Combustible Liquids Code, 1990 Edition
- NFPA 36 Standard for Solvent Extraction Plants, 1988 Edition
- NFPA 69 Standard on Explosion Prevention Systems, 1992 Edition
- NFPA 70 National Electrical Code Articles 500, 501, 502, 503, 504, and 515, 1990 Edition
- NFPA 77 Recommended Practice on Static Electricity, 1988 Edition
- NFPA 91 Standard for Installation of Blower and Exhaust Systems for Dust, Stock and Vapor Removal or Conveying, 1983 Edition

These standards include the methods of storage, removal and receipt and will be followed by American Gilsonite Company. It should be noted that the facility will be designed to keep the solvents enclosed so that the solvents can be vaporized, condensed and recycled.

109.4 We have applied for an Air Quality Permit with the DAQ. A Notice of Intent was submitted on June 2, 1992 and the Notice was reviewed by DAQ. On August 26, 1992 the DAQ publicized for comment on the project in the Vernal Express. If there are no significant comments after 30 days an authorization will be granted by DAQ.

⇒ SEPT. 25, 1992

R647-4-110 Reclamation Plan


ANY DELETERIOUS MTL. AT FINAL RECLAMATION?

110.4 There will be no unusual handling concerns because there will be nothing unusual or hazardous deposited in the area. The pond will be used only as a control measure to eliminate the possibility of discharge out of the plant. The pond will essentially receive only water that meets drinking water standards. Any solvent that might come in contact with the water will readily evaporate from the pond.

110.5 We appreciate the inclusion of a recommended seed mix. We will incorporate that seed mix into our reclamation program.

This should address the comments from your letter. We are working very closely with the other agencies mentioned and we feel we have been very conscientious in our handling of this project. If you have further comments or questions please contact me at 789-1921 extension 32.

Sincerely,


Terry M. Tilley
Plant Superintendent

TMT/dns